



Form North Dakota Office of State Tax Commissioner

58 Partnership income tax return**2006**

A This return is filed for: <input type="checkbox"/> Calendar year 2006 (Jan. 1 - Dec. 31, 2006) <input type="checkbox"/> Fiscal year: Beginning _____, 2006, and ending _____, 20____		
B Partnership's name (legal) Doing business as name (if different from legal name) Mailing address City _____ State _____ Zip Code _____		C Federal EIN * - D Business code no. (from Form 1065) ▶ E Date business started / / F Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Filed by an LLC <input type="checkbox"/> Amended return <input type="checkbox"/> Composite return <input type="checkbox"/> Extension
G TOTAL number of partners _____ ▶ Enter number of — Resident individual partners --- ▶ Nonresident individual partners ▶ Partnership partners --- ▶ Corporation partners --- ▶ Other types of partners ▶ 		
H (1) Is this a "professional service partnership" as defined under N.D.C.C. Section 57-38-01.8(3)(a)? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No (2) If "Yes," check applicable box: <input type="checkbox"/> Accounting <input type="checkbox"/> Law <input type="checkbox"/> Medicine <input type="checkbox"/> Other: _____ I Is this a publicly traded partnership as defined under I.R.C. Section 7704(b)? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No J Is this partnership a partner (or member) in another partnership or limited liability company? If "Yes," attach a statement listing the name(s) and federal employer identification number(s) of each entity _____ <input type="checkbox"/> Yes <input type="checkbox"/> No		

- Before completing lines 1 through 8 on this page, complete Schedule FACT, Schedule K, and Schedule KP.
- After completing Form 58, complete North Dakota Schedule K-1 (58) for the partners.

1 Income tax withheld from nonresident individual partners (from page 4, Schedule KP, line 3) _____ ▶	1 _____
2 Composite income tax for electing nonresident individual partners (from page 4, Schedule KP, line 4) _____ ▶	2 _____
3 Total taxes due. Add lines 1 and 2 _____	3 _____
4 Estimated tax payments (using 2006 Form 58-EXT) _____ ▶	4 _____
5 Tax due. If line 3 is more than line 4, subtract line 4 from line 3; otherwise, go to line 6. If result is less than \$5.00, enter -0- _____ ▶	5 _____
6 Overpayment. If line 4 is more than line 3, subtract line 3 from line 4. If result is less than \$5.00, enter -0- _____ ▶	6 _____
7 Amount of line 6 to be credited to 2007 estimated tax _____ ▶	7 _____
8 Refund. Subtract line 7 from line 6. If result is less than \$5.00, enter -0- _____ ▶	8 _____

- Attach a complete copy of the 2006 Form 1065 or 1065-B (including Federal Schedule K-1s)
- Attach a copy of all North Dakota Schedule K-1s (Form 58)

I declare that this return is correct and complete to the best of my knowledge and belief.		* Privacy Act - See inside front cover of booklet	
Signature of general partner	Date	<input type="checkbox"/> I authorize the ND Office of State Tax Commissioner to discuss this return with the preparer identified below. For Tax Department Use Only	
Print name of general partner	Phone		
Paid preparer signature	Date		
Print name of paid preparer	EIN/SSN/PTIN		
	Phone		

Mail to: Office of State Tax Commissioner, 600 E. Blvd. Ave., Dept. 127,
Bismarck, ND 58505-0599



Schedule FACT Calculation of North Dakota Apportionment Factor

IMPORTANT: All partnerships must complete the applicable portions of this schedule as follows:

- **100% ND partnership:** If the partnership conducts all of its business within North Dakota, skip lines 1 through 13, and enter 1.000000 on line 14.
- **Multistate partnership:** If the partnership conducts its business within and without North Dakota, complete lines 1 through 14 of this schedule. However, if all of the partners consist of only North Dakota resident individuals, estates, and trusts, skip lines 1 through 13, enter 1.000000 on line 14, and check this box ☐

Property factor

Average value at original cost of real and tangible personal property used in the business. Exclude construction in progress.

**Column 1
Total**

**Column 2
North Dakota**

**Column 3
Factor
(Col. 2 ÷ Col. 1)**

**Result must be
carried to six
decimal places**

1 Inventories -----	1 _____	_____	
2 Buildings and other fixed depreciable assets -----	2 _____	_____	
3 Depletable assets -----	3 _____	_____	
4 Land -----	4 _____	_____	
5 Other assets (Attach schedule) -----	5 _____	_____	
6 Rented property (Annual rental multiplied by 8) -----	6 _____	_____	
7 Total property (Add lines 1 through 6) ----- ▶	7 _____ ▶	_____ ▶	_____._____

Payroll factor

8 Wages, salaries, commissions and other compensation of employees reported on Federal Form 1065 (If the amount reported in Column 2 does not agree with the total compensation reported for North Dakota unemployment insurance purposes, attach an explanation.) ----- ▶

8 _____ ▶ _____ ▶ _____

Sales factor

9 Gross receipts or sales, less returns and allowances (from Federal Form 1065, page 1, line 1c) ----- 9 _____

10 Sales delivered or shipped to North Dakota destinations ----- 10 _____

11 a Sales shipped from North Dakota to the U.S. Government ----- 11a _____

b Sales shipped from North Dakota to purchasers in a state or foreign country where the partnership does not have a filing requirement ----- 11b _____

12 Total sales (Add lines 9 through 11b) ----- ▶ 12 _____ ▶ _____ ▶ _____

13 Sum of factors (Add lines 7, 8, and 12 in Column 3) ----- 13 _____

14 **Apportionment factor** (Divide line 13 by 3.0; however, if line 7, 8, or 12 of Column 1 is zero, divide line 13 by the number of factors (on lines 7, 8, and 12) showing an amount greater than zero in Column 1) ----- ▶ 14 _____



**Schedule K Total North Dakota adjustments, credits, and other items
distributable to partners**

All partnerships must complete this schedule

North Dakota addition adjustments

- 1 Federally-exempt income from non-North Dakota state and local bonds and foreign securities ----- 1 _____
2 State and local income taxes deducted on federal partnership return in calculating its ordinary income (loss) ----- 2 _____

North Dakota subtraction adjustments

- 3 Interest from U.S. obligations ----- 3 _____
4 Renaissance zone business or investment income exemption ----- 4 _____
5 New or expanding business income exemption ----- 5 _____
6 Beginning farmer deductions:
 a Gain from sale of land to a qualified beginning farmer ----- 6a _____
 b Interest income from contract for sale of land to a qualified beginning farmer ----- 6b _____
 c Rental income (less related expenses) from lease of land to a qualified beginning farmer ----- 6c _____
7 Beginning entrepreneur deductions:
 a Gain from sale of a business to a qualified beginning entrepreneur ----- 7a _____
 b Interest income from contract for sale of a business to a qualified beginning entrepreneur ----- 7b _____
 c Rental income (less related expenses) from lease of a business to a qualified beginning entrepreneur ----- 7c _____
8 Gain from eminent domain sale ----- 8 _____

North Dakota tax credits

- 9 Renaissance zone: Historic property preservation or renovation tax credit ----- 9 _____
10 Renaissance zone: Renaissance fund organization investment tax credit ----- 10 _____
11 Seed capital investment tax credit ----- 11 _____
12 Agricultural commodity processing facility investment tax credit ----- 12 _____
13 Supplier (wholesaler) biodiesel fuel tax credit ----- 13 _____
14 Seller (retailer) biodiesel fuel tax credit ----- 14 _____
15 Geothermal, solar, or wind energy device tax credit ----- 15 _____
16 Certified North Dakota nonprofit development corporation tax credit ----- 16 _____

Other items

Line 17 only applies to a professional service partnership — see instructions

- 17 a Guaranteed payments from Federal Form 1065 (or 1065-B), Schedule K ----- 17a _____
 b Portion of line 17a paid for services performed everywhere by all partners ----- 17b _____
 c Portion of line 17b paid to nonresident individual partners for services performed in North Dakota ----- 17c _____

Line 18 applies only to a multistate partnership — see instructions

- 18 a Total allocable income from all sources (net of related expenses) ----- 18a _____
 b Portion of line 18a that is allocable to North Dakota ----- 18b _____

Line 19 applies to all partnerships — see instructions

- 19 For disposition(s) of I.R.C. Section 179 property, enter the North Dakota apportioned amounts — see instructions:
 a Gross sales price or amount realized ----- 19a _____
 b Cost or other basis plus expense of sale ----- 19b _____
 c Depreciation allowed or allowable (excluding I.R.C. Section 179 deduction) ----- 19c _____
 d I.R.C. Section 179 deduction related to property that was passed through to partners ----- 19d _____

All partnerships must complete this schedule